October 8, 2003

Assembly Member Darrell Steinberg State Capitol, Room 2114 Sacramento, CA 95814

RE: AB 1160 (Steinberg) - Second Units

Dear Assembly Member Steinberg:

We regret to inform you that the City of Santa Barbara **OPPOSES** your <u>AB 1160</u>. This bill proposes to further limit local government's ability to adopt, implement and enforce zoning (i.e. standards related to ownership, unit size, parking, affordability, etc) to address the complex issues associated with permitting second units on single family lots. The following are only a few specific examples of how the bill as proposed would affect the City of Santa Barbara:

Prohibits local ordinances from requiring owner-occupants in main or second unit.

Owner-occupant requirements seek to ensure responsibility and avoid absentee landlord situations. If property owners live on-site, the property will be better managed both physically and with respect to monitoring the number of persons inhabiting second units, noise, parking and other neighborhood compatibility issues. This is of particular concern in cities with local colleges and universities such as Santa Barbara.

Limits parking standards to one for every two bedrooms and permits spaces on street. The City of Santa Barbara is a mature and predominantly built-out city. The City has been very successful in encouraging and approving infill residential and mixed-use projects with community support. This is in part due to the design of projects and efforts to minimize neighborhood impacts. Having new units provide sufficient parking is key to gaining and keeping community support for new housing. This bill would significantly reduce the City's requirements for two spaces for the primary residence and one for the secondary dwelling unit.

Further, many of the city's neighborhoods contain older housing stock that provides little or no off-street parking for residents (tenants and owners). On-street parking is often the only option in older, denser neighborhoods. Little "free" space is available that could be used by tenants of new units.

It should be noted that the City has significantly reduced parking requirements for senior and affordable housing projects where car ownership and use patterns have proven to be different from the general population. In these cases, the affordable housing units are managed by local non-profit groups that can monitor car ownership and use and minimize impacts to the surrounding neighborhood.

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Prohibits local jurisdictions from applying standards that would render units "not financially feasible at market rate rents" for very low and low-income households. In coastal areas and college towns, market rate rents are rarely "naturally" affordable. Further, given construction costs and liability insurance issues, new units are often are the most expensive units on the market. In Santa Barbara, even if all development standards for second units were removed and no off-street parking required, the new unit will not be affordable at rents affordable to low-income households.

Allows "transient use" of second units (rents could be collected daily). As a coastal city with a tremendous tourist industry, this provision of the bill could significantly undermine a thriving hotel, motel and bed and breakfast industries. Allowing units to be rented on a daily basis could also undermine the City's Transient Occupancy Tax revenues, a major funding source for the City. Perhaps the concept is that these units could become transitional housing units for the homeless. These types of units would not be consistent with our area's Consolidated Plan in which transitional housing units are provided in close connection with other programs, services and facilities. Remote second units would be problematic in providing the support services necessary to accomplish a self-supporting transition to long-term housing.

Requires single-family and multi-family residential uses and densities be allowed by right on primary and secondary school sites. The City's Draft 2003 Housing Element contains new strategies to explore adding housing to school sites when and where appropriate. The community is especially interested in adding housing over surface parking lots for schools staff and employees. However, this proposed legislation goes much too far. For cash-strapped school districts, allowing residential by right could dangle a short-term fix rather than the best long-term decision for the school district or community. School districts could sell-off sites for housing development only to find themselves with a need for new school sites and escalated land costs.

We urge you to carefully consider these experiences before proceeding with <u>AB 1160</u>, which from a city standpoint, effectively zones residential land at the state level. This one-size-fits-all approach is likely to increase community opposition to second units in the form of legal challenges and local referenda, rather than encourage their development.

Sincerely,

Marty Blum, Mayor

CC:

Hannah-Beth Jackson, Assembly Representative
Tom McClintock, State Senator
Members and Consultant, Assembly Local Government Committee
Members and Consultant, Assembly Housing and Community Development Committee
James L. Armstrong, City Administrator
Santa Barbara Chamber of Commerce
League of California Cities
Santa Barbara City Council Members

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